


BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 98-350-E - ORDER NO. 2002-600 

AUGUST 23, 2002

IN RE: Request of Carolina Power & Light Company)	ORDER
for Approval of Premier Power Service)	APPROVING
(Experimental) Rider PPS-2 and Premier)	REVISIONS
Power Service Contract.)	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the request of Carolina Power & Light Company (CP&L or the Company) for approval of a Request to Revise Premier Power Service (Experimental) Rider PPS. CP&L is seeking to revise this tariff (1) to clarify CP&L's ownership of the generation and (2) to revise the early termination provision. Rider PPS is a voluntary program for non-residential customers requesting CP&L to install, maintain, and operate generation located on the customer's premise. The primary purpose of the generation is to serve as an alternate supply of electricity in the event that normal electric supply is interrupted (i.e., emergency or back-up electric supply).

The issue of generator ownership was recently challenged in a bankruptcy proceeding, according to the Company. Even though the bankruptcy judge concluded that generation installed under Rider PPS was owned by CP&L, he encouraged the Company to revise the Rider to more clearly describe the ownership issue. CP&L states that the Definition of Services and Contract Term provisions have been revised to more clearly

state that CP&L owns the generation both during and subsequent to the expiration of the contract term.

CP&L also requests a revision of the Early Termination of Contract Term provision to offer a participant the option of a reduced charge if the generation can be re-used at an alternate location. In this situation, the termination charge seeks to recover the removal and storage cost as well as any unrecovered installation costs. It also continues the monthly payment until the equipment is placed in service elsewhere. The original termination charge option is retained if the customer prefers to terminate service without awaiting a decision regarding CP&L's re-use of the generator.

We would note that the matters requested for approval may be approved without notice or hearing, since they do not require a determination of the Company's entire rate structure and overall rate of return, and they do not result in any rate increase to the Company. See S.C. Code Ann. Section 58-27-870 (F)(Supp. 2001). Accordingly, we have examined this matter, and have determined that the revisions proposed by the Company should be approved. Clarity on the ownership issue is certainly a reasonable goal, and the request for the revision in the Early Termination of Contract Term provision also makes sense and is customer friendly. It gives a customer the option of a reduced charge if the generation can be reused at an alternate location. We therefore approve the Company's proposed revisions as filed.

CP&L shall file ten copies of the revised Rider with this Commission within ten days after receipt of this Order.

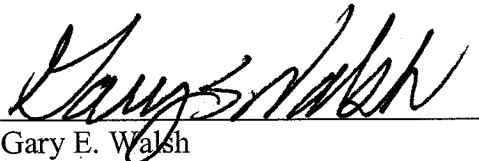
This Order shall remain in full force and effect until further Order of the
Commission.

BY ORDER OF THE COMMISSION:



Mignon L. Clyburn
Chairman

ATTEST:



Gary E. Walsh
Executive Director

(SEAL)